

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING:	November 15, 2011	AGENDA NO.:
SUBJECT:	a. Award a contract in the total amount of \$1,480,200 to Avila Construction, Inc. the lowest responsible and responsive base bidder, for the Natividad Medical Center (NMC) Outpatient Expansion Tenant Improvement Project No. 8842, Bid No. 10317; and b. Approve the Performance and Payment Bonds executed and provided by Avila Construction Inc; and c. Authorize a contingency (not to exceed 10% of the contract amount) to provide funding for approved contract change order; and d. Authorize the Purchasing Manager at NMC to execute the contract and subject to the terms of the Public Contract Code, approve change order to the contract that do not exceed 10% of the original contract amount, and do not significantly change the scope of work.	
DEPARTMENT:	Natividad Medical Center	

RECOMMENDATIONS:

It is recommended that the Board of Supervisors:

- a. Award a contract in the total amount of \$1,480,200 to Avila Construction, Inc. the lowest responsible and responsive base bidder, for the Natividad Medical Center (NMC) Outpatient Expansion Tenant Improvement Project No. 8842, Bid No. 10317; and
- b. Approve the Performance and Payment Bonds executed and provided by Avila Construction Inc; and
- c. Authorize a contingency (not to exceed 10% of the contract amount) to provide funding for approved contract change order; and
- d. Authorize the Purchasing Manager at NMC to execute the contract and subject to the terms of the Public Contract Code, approve change order to the contract that do not exceed 10% of the original contract amount, and do not significantly change the scope of work.

SUMMARY/DISCUSSION:

NMC's Outpatient Expansion Tenant Improvement Project supports the re-organization of the NMC Specialty Clinic Services. This tenant improvement project is located at Natividad Medical Center, Building 200, second floor, adjacent to the Specialty Clinic's existing location. The project's scope includes demolition, new interior walls, millwork, finishes, ceiling work, and mechanical/electrical/plumbing work to 10,800 square feet of vacant area which will be incorporated into the existing clinic's footprint. On July 12, 2011 Board of Supervisors approved the Plans and Special Provisions for the Natividad Medical Center (NMC) Outpatient Expansion Tenant Improvement Project No. 8842 Bid Package No. 10317 and allowed NMC to advertise the "Notice to Contractors."

On August 8, 2011 NMC published the "Notice to Contractors" inviting formal bids for the Outpatient Expansion Project. NMC provided interested contractors bid plans and specification in Bid Package No. 10317, and followed the outlined steps in the works of public improvement process to properly select a contractor in conformance with State laws regarding construction contractor selection. At 2 p.m. on September 7, 2011 bids were opened and publicly read aloud by the Contracts/Purchasing Agent in the Clerk of the Board's Conference Room 1032. Avila Construction, Inc. was revealed as the lowest bidder for this project. After evaluation of their proposal and subcontractors, NMC deemed them the lowest responsible and responsive bid and

on September 26, 2011 tentatively awarded the project 8842 to Avila Construction, Inc. pending Board of Supervisor's approval.

Natividad Medical Center requests approval from the Board of Supervisors to award this project 8842 to Avila Construction, Inc. Avila Construction Inc.'s bid of \$1,480,200 is in line with NMC's projected budget of \$1,510,959 for construction. After Board of Supervisor's approval NMC will proceed with scheduling a start date and coordinating the 3 phased project. Anticipated duration of construction is 150 days. (Refer to Exhibit 1 for budget, scheduling and description)

OTHER AGENCY INVOLVEMENT:

NMC has worked with Specialty Clinics, the NMC Finance Committee and the Department of Public Works on this project. County Counsel has reviewed and approved this Agreement as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Agreement as to fiscal provisions. The Agreement is also supported by the Capital Improvement Committee and the Budget Committee. The Agreement has been approved by Natividad Medical Center's Board of Trustees.

FINANCING:

There is no financial impact to the General Fund. The total estimated cost for the Outpatient Expansion Tenant Improvement Project, including construction, and 10% contingency, is \$1,628,220. The complete renovation project, including design, equipment, construction, is fully funded and budgeted at \$2,107,737.

Prepared by:
Andrea Rosenberg, Administrator
755-6285
November 2, 2011

Harry Weis
Chief Executive Officer

Attachments: Exhibit 1- Natividad Medical Center's request to proceed with construction on the Outpatient Expansion Tenant Improvement Project, Agreement, Board Order.
Attachments are on file with the Clerk of the Board

Before the Board of Supervisors in and for the County of Monterey, State of California

Agreement No.: A-12141; Construction No. 2011-18

- a. Award a contract in the total amount of \$1,480,200 to Avila Construction, Inc. the lowest responsible and responsive base bidder, for the Natividad Medical Center (NMC) Outpatient Expansion Tenant Improvement Project No. 8842, Bid No. 10317; and
b. Approve the Performance and Payment Bonds executed and provided by Avila Construction Inc; and
c. Authorize a contingency (not to exceed 10% of the contract amount) to provide funding for approved contract change order; and
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Upon motion of Supervisor Potter, seconded by Supervisor Armenta, and carried by those members present, the Board hereby:

- a. Awarded a contract in the total amount of \$1,480,200 to Avila Construction, Inc. the lowest responsible and responsive base bidder, for the Natividad Medical Center (NMC) Outpatient Expansion Tenant Improvement Project No. 8842, Bid No. 10317; and
b. Approved the Performance and Payment Bonds executed and provided by Avila Construction Inc; and
c. Authorized a contingency (not to exceed 10% of the contract amount) to provide funding for approved contract change order; and
d. Authorized the Purchasing Manager at NMC to execute the contract and subject to the terms of the Public Contract Code, approve change order to the contract that do not exceed 10% of the original contract amount, and do not significantly change the scope of work.

PASSED AND ADOPTED on this 15th day of November 2011, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker and Potter
NOES: None
ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 75 for the meeting on November 15, 2011.

Dated: November 17, 2011

Gail T. Borkowski, Clerk of the Board of Supervisors County of Monterey, State of California

By Denise Hancock Deputy

EXHIBIT 1

Natividad Medical Center's request to proceed with construction on the Outpatient Expansion Tenant Improvement Project

Background/ Current Situation

In 1999 Natividad Medical Center opened its newly constructed building. The new facility includes two Inpatient buildings, an Outpatient Building and Administrative building. The Outpatient building is used for Outpatient Surgeries, Specialty Clinics and Health Department clinics. A portion of the Outpatient Second Floor was not built out, and currently sits as a 2,000 square feet of shelled space (2J068). The Specialty Clinic struggles to provide satisfactory wait times for patients due to the increased volume. Natividad contracted with a design consultant to provide a new design for the Specialty clinics.

In 2009 Natividad contracted with Reel Grobman architecture firm to redesign the specialty clinics. With the goals to improving patient flow and reducing wait times of patients, the scope of work included the following:

- Total Tenant improvement will renovate a total 10,800 sqft on 2nd Floor of the outpatient building
- Expanding into the 2000 square feet of shelled space
- Add Ten (10) additional Exam rooms
- Implement Picture Archiving and Communication System
- Develop Construction documents and specifications to be approved by Monterey County planning department

Design development drawings were approved by Natividad project team on November 23, 2010 to allow Reel Grobman architecture to continue to develop construction documents and was submitted to Monterey County Planning Department on December 22, 2010. The Planning Department rejected the Construction Documents with comments and Reel Grobman corrected and resubmitted Construction Documents to the County Planning Department on April 26, 2011. Natividad Medical Center anticipates approval of construction documents for the Outpatient Expansion Tenant Improvement by late July. In Fiscal Year 2010/2011 capital was approved in the amount of 2.1M for construction of the Outpatient Expansion Tenant Improvement project. Meade Construction Group that was contracted by Reel Grobman for construction estimation evaluated the scope of work and projected that 1.8M would be required for the construction portion of the project.

On July 12, 2011 Board of Supervisors approved the Plans and Special Provisions for the Natividad Medical Center (NMC) Outpatient Expansion Tenant Improvement Project No. 8842 Bid Package No. 10317 and allowed NMC to advertise the "Notice to Contractors" in the Californian. NMC followed the outlined steps in the works of public improvement process to properly select a contractor in conformance with State laws regarding construction contractor

selection. When the lowest responsible bidder has been selected, NMC will follow the appropriate works of public improvement process and request authorization to develop a contract with the lowest responsible bidder.

Authorizing NMC to proceed with construction will assist in developing overall patient care at Natividad Medical Center

Key Milestones:

- July 2011 – Approval of Construction Documents by Monterey County Planning Department
- July 12, 2011 – County to approve NMC to solicit for a contractor
- August 8, 2011– Solicit to the public to acquire a contractor for construction
- November 15, 2011 – County to approve contract with awarded bidder \$1,480,200.00
- November 2011 – Obtain a Building Permit by the Appropriate Agency's that have jurisdiction.
- November 2011 – Coordinate with NMC Departments and contractor on scheduling and Phasing
- December 2011 – Start Construction
- July 2012 – Construction Completion

Project Schedule:
See Attached Gantt Chart

ID	Task Name	Duration	Start	Finish
1	Outpatient Expansion	339 days	Fr 4/29/11	Tue 8/14/12
2	A&E	63 days	Tue 5/17/11	Wed 8/25/11
3	NMC Finance Review	3 days	Tue 5/17/11	Thu 5/25/11
4	CIC Report into CAD's Office	3 days	Fr 6/10/11	Thu 6/16/11
5	CIC Meals	1 day	Wed 6/23/11	Wed 6/23/11
6	BC Report into CAO Analyst	5 days	Thu 6/23/11	Tue 8/2/11
7	Budget Committee Meeting	1 day	Wed 6/23/11	Wed 6/23/11
8	Plan Check and Permitting	47 days	Fr 4/29/11	Fr 7/14/11
9	Back Check to CS5	27 days	Fr 4/29/11	Mon 6/27/11
10	Permit Ready for Issue	23 days	Tue 6/7/11	Fr 7/1/11
11	Advertising and Award	15 days	Tue 7/5/11	Mon 7/25/11
12	Submit Board Report to Authorize Bidding	13 days	Tue 7/5/11	Thu 7/21/11
13	Board Meeting	1 day	Fr 7/29/11	Fr 7/29/11
14	Signed Board Order Authorizing Bid	5 days	Mon 7/25/11	Mon 8/1/11
15	Project Close-out	28 days	Tue 8/2/11	Tue 8/2/11
16	Bids Due Bid Opening	7 days	Mon 8/1/11	Tue 8/2/11
17	Counsel Reviews Bid Documents	3 days	Wed 8/2/11	Mon 8/8/11
18	Submit Board Report to Accept Low Bid	3 days	Wed 8/2/11	Mon 8/8/11
19	Board Meeting	1 day	Tue 8/2/11	Tue 8/2/11
20	Clerk Releases Signed Board Order	7 days	Wed 8/3/11	Mon 8/22/11
21	NMC Issues P.O.	7 days	Fr 8/5/11	Mon 8/22/11
22	Contractor Signs Returns P.O.	5 days	Tue 8/23/11	Mon 8/29/11
23	Construction	163 days	Mon 12/12/11	Wed 7/25/12
24	Notice to Proceed Issued	7 days	Mon 12/12/11	Tue 12/20/11
25	Preconstruction Meeting	1 day	Wed 12/22/11	Wed 12/22/11
26	Contractor Order and Stage Construction Material	3 days	Thu 12/23/11	Mon 12/26/11
27	Derrailing and Construction	150 days	Tue 12/27/11	Mon 7/23/12
28	Punch List	2 days	Tue 7/24/12	Wed 7/25/12
29	Project Closeout	14 days	Thu 7/26/12	Thu 8/14/12

Project: Outpatient Expansion
 Date: 8/1/11
 Task: S&M
 Progress: [Progress Bar]
 Milestone: [Milestone Bar]
 Summary: [Summary Bar]
 External Tasks: [External Tasks Bar]
 Dead Line: [Dead Line Bar]

Budget:

The total estimated cost for the Outpatient Expansion Tenant Improvement Project, including construction, and 10% contingency, is \$1,628,220. The complete renovation project, including design, equipment, construction, is fully funded and budgeted at \$2,107,737. This action will not require any additional Monterey County General Fund subsidy.

Funding:

There will be no impact to the General Fund for this project.

AGREEMENT

THIS AGREEMENT is made by and between the COUNTY OF MONTEREY, a political subdivision of the State of California, hereinafter called "COUNTY," and AVILA BROTHERS, INC. DBA AVILA CONSTRUCTION COMPANY, hereinafter called "CONTRACTOR." For reference purposes, the date of this Agreement is September 26 2011.

THE COUNTY AND THE CONTRACTOR hereby agree as follows:

ARTICLE 1. SCOPE OF WORK.

The CONTRACTOR shall, within the time stipulated, perform the contract as herein defined and shall furnish all work, labor, equipment, transportation, material, and services to construct and complete in a good, expeditious, workmanlike, and substantial manner, the project: **Outpatient Expansion 2nd Floor - Building 200, 1441 Constitution Blvd., Project No. 8842, Bid No. 10317.**

All work shall be completed in strict conformance with the plans, specifications, and working details prepared by Reel Grobman Associates Architects, and the provisions of the documents listed in Article 6 below, and to the satisfaction of the COUNTY.

ARTICLE 2. TIME FOR START AND COMPLETION.

CONTRACTOR shall commence the work on the starting date established in the Notice to Proceed and shall complete the bid work within the overall project duration of one hundred and fifty (150) calendar days as it pertains to CONTRACTOR's scope of work as defined by the contract documents. Additionally, CONTRACTOR shall coordinate their work with all other contractors whose work is affected by the scope of work defined in this Agreement. CONTRACTOR expressly agrees to provide appropriate labor, material and equipment in response to adjustments in the Project Schedule made by the Natividad Medical Center, Project Manager or his/her designee during the course of the project in order to maintain the required progress.

ARTICLE 3. CONTRACT PRICE.

The COUNTY shall pay the CONTRACTOR as full consideration for the performance of the contract, subject to any additions or deductions as provided in the contract documents, the contract sum of One Million Four Hundred Eighty Thousand and Two Hundred Dollars (\$1,480,200.00).

ARTICLE 4. LIQUIDATED DAMAGES.

THE PARTIES AGREE THAT IN CASE ALL THE WORK CALLED FOR UNDER THE CONTRACT IN ALL PARTS AND REQUIREMENTS IS NOT COMPLETED WITHIN THE TIME SPECIFIED IN THE CONTRACT DOCUMENTS, DAMAGE WILL BE SUSTAINED BY THE COUNTY, AND THAT IT IS AND WILL BE IMPRACTICABLE AND EXTREMELY DIFFICULT TO DETERMINE THE ACTUAL DAMAGE WHICH THE COUNTY WILL THEREBY SUSTAIN. THE PARTIES THEREFORE AGREE THAT THE CONTRACTOR WILL PAY TO THE COUNTY THE SUM SET FORTH IN THE SPECIAL CONDITIONS IF ANY, FOR EACH CALENDAR DAY OF DELAY UNTIL THE WORK IS COMPLETED AND ACCEPTED. CONTRACTOR AND HIS SURETY SHALL BE LIABLE FOR THE TOTAL AMOUNT THEREOF. THE CONTRACTOR AGREES TO PAY SAID LIQUIDATED DAMAGES ESTABLISHED HEREIN, AND FURTHER AGREES THAT THE COUNTY MAY DEDUCT THE AMOUNT THEREOF FROM ANY MONIES

DUE OR THAT MAY BECOME DUE THE CONTRACTOR UNDER THE CONTRACT.

ARTICLE 5. NOTIFICATION OF THIRD-PARTY CLAIMS.

COUNTY shall notify CONTRACTOR of the receipt of any third-party claim relating to the contract and is entitled to recover its reasonable costs incurred in providing the notification as provided in Public Contract Code Section 9201.

ARTICLE 6. COMPONENT PARTS OF THIS CONTRACT.

The contract entered into by this Agreement consists of the following documents, all of which are component parts of the contract as if herein set out in full or attached hereto:

Notice to Contractors Inviting Formal Bids
Information for Bidders
Bid, as accepted
List of Subcontractors
Noncollusion Affidavit
Worker's Compensation certificate
Affidavit Concerning Employment of Undocumented Aliens
Contractor's Certification of Good-Faith Effort to Hire Monterey Bay Area Residents
Bid Bond or Bidder's Security
Agreement
Performance Bond
Payment Bond for Public Works
Insurance Certificate
General Conditions of Bid 10317 Project Manual
Special Conditions of Bid 10317 Project Manual
Specifications & Plans
Working Details
Project Addenda Nos. 1, 2, 3, 4, 5, as issued.

All of the above-named contract documents are intended to be complementary. Work required by one of the above-named contract documents and not by others shall be done as if required by all.

IN WITNESS WHEREOF, the parties have duly executed four (4) identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof, on the dates set forth below.

CONTRACTOR:

AVILA BROS. INC DBA AVILA CONSTRUCTION COMPANY

(Name of Company)

By:

Signature of Chair, President, or Vice-President

STEVE AVILA, VPRESIDENT

Printed Name and Title

Date:

October 21, 2011

By:

Signature of Secretary, Asst. Secretary, CFO,
Treasurer or Asst. Treasurer*

MICHAEL J. AVILA, CFO

Printed Name and Title

Date:

October 21, 2011

COUNTY OF MONTEREY:

By:

Name: Harry Weis

Title: Natividad Medical Center CEO

Dated:

10/26/11

By:

Name: Gary Giboney

Title: Chief Deputy Auditor-Controller

Date:

11/2/11

APPROVE AS TO FISCAL TERMS

APPROVE AS TO FORM

By:

Name:

Title: NMC Purchasing Manager

Date:

11-29-11

APPROVE AS TO FORM & LEGALITY

By:

Name: Stacy Saetta

Title: Deputy County Counsel

Date:

10-31-11

***INSTRUCTIONS:** If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this AGREEMENT on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the AGREEMENT.